

1. In a belated notice of Ex Parte Communications, the RAA states that whether residents are satisfied is of importance “for apartment owners and managers because of the fact that a dissatisfied resident will move out.” However, the RAA fails to mention that this gives many owners and managers an incentive to select the *least* satisfactory providers available. Due to a variety of intricacies of rent control laws, landlords who are able to persuade a tenant to leave by any means are often able to charge the next tenant more than they could have charged that previous tenant had that tenant been satisfied and remained. In fact, at the time of the Ex Parte meeting, a ballot proposition was pending in California that would have left existing rent control limits in place [only] for as long as the present tenants remained in the apartments they occupied, and would have allowed the landlords to charge unlimited rent once those tenants moved. As a result, any landlord who wanted to charge rent in excess of that which could be legally charged to the existing tenants would have had a powerful incentive to grant exclusivity to a provider whose poor service would lead to high turnover.
2. The comments also note that approximately $\frac{1}{2}$ of tenants move each year and that median occupancy is approximately two years. **Tenants in buildings with exclusive contracts are often required to agree that they will pay for service for one to two years, before they can receive any service.** The proponents of exclusive contracts concede that this period is commonly as long as the tenant will remain (for reasons unrelated to television service). **Therefore, the provider has absolutely no incentive to satisfy the customer in any way, as the customer must pay for the contract period, even if the service is unsatisfactory,** and, due to moving, will be unable to continue the service beyond that time, even if it was satisfactory. Additionally, the tenant may have to continue paying after moving to a location where the service is unavailable.